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RAKOSI GIVES REASONS FOR DECLINING SOVIET TREATY

SAYS SOVIET AID NEEDED TO SUBDUE INTERNAL REVOLUTION -- Munich, Hungaria,
 12 Jan 51

Hungarian Communist Party Secretary Rakosi recently reported to the Hungarian Communist Party Central Leadership, citing the reasons he gave in his note to the USSR which declined the Soviet offer to conclude a peace treaty allowing Hungary to enter the Soviet bloc on a level equal to that of present members. Rakosi stated that, although it would have a beneficial effect on relations with satellites and Soviet allied states, and would allow Hungary to be heard in the UN as an independent Communist democracy, such a move would be catastrophic for the country's internal situation.

Rakosi advised the leadership not to be deluded about the condition of the state and said that the antipathy and stubborn sabotage which foiled even a partial execution of the Communist program in 1945 is still as strong or stronger than when Soviet forces first occupied the country. "If we thought," he continued, "that after becoming acquainted with the Soviet man, the Soviet soldier, and with Soviet culture, the population of our country would accept sympathetically, though perhaps not enthusiastically, a merging with the Soviet order then we were gravely mistaken."

Rakosi stated that the conclusion of such a peace treaty would mean that Soviet troops would be withdrawn from Hungary, if only to show the Western democracies that Hungary is voluntarily siding with the Bolshevik bloc. This would result in "catastrophies" in Hungary because "neither an exceptionally well organized police force, a strong Communist army, or the Communist order of government would be strong enough to subdue an internal revolution, the outcome of which would be doubtful, or rather, about which there would be no doubt."

Rakosi criticized the Hungarian Army for trying to create an "elite corps of uniformed nobility" and of fostering nationalism. He accused Hungarian Communist government employees of fraternizing with kulaks and accepting their

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bribes. Informers, he said, report merely their personal enemies. Rakosi further stated that the police are in collusion with the peasants, and even the best trained secret police officers have become either jaded in the execution of their duties and seek only diversion, or have become sadists who only engender abhorrence for themselves and their police comrades.

With these facts in mind, Rakosi related, he asked the USSR not to withdraw its forces, and as long as the adverse international situation persists, not to consider a formal peace treaty with Hungary.

Rakosi has not yet received a reply to his note.

EXPECT TO RELIEVE VAS, GERO IN ADMINISTRATION COUP -- Innsbruck, Unio Press Service, 2 Jan 51

Hungary's economy underwent changes at the end of 1949, the full effects of which are not yet apparent. Reports from Budapest indicate that there will be changes among the highest echelons of economic administration. The names of Zoltan Vas and Erno Gero have been mentioned in conjectures on who should be directly responsible for production failure.

A large number of Plan Office employees and employees of the various ministries, including some persons in high positions, were released during the first few days of the year. Their discharge was allegedly based on an [economic] conservation order which has now been released. Similar mass dismissals may be expected in all government offices and plants. However, the rumor persists that there are other reasons for the discharges besides the economic conservation decree.

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